

Department of Accounting and Finance

AG309 Governance and Accounting Ethics

2025/26 Semester 1

10 Module Credits

Module Details

Module Description

Governance issues have been debated at great length for many years, but have reached particular prominence in the aftermath of the many major business scandals that have arisen.

The importance of the UK Corporate Governance Code within the UK Corporate Framework along with the variety of reporting requirements in today's world make it desirable to present the accounting aspects of governance and the study of ethics and sustainability in an accounting setting as a separate module.

This third year, one semester, 10 credit module is intended to provide an overview of the role of accounting within business and society more generally.

Teaching Hours

Lectures: All weeks, Wednesday 11am-1pm in GH554.

Tutorials: Weeks 2-11

Please see the "Tutorial Sign Up" tab on the AG309 Myplace page here: [Course: AG309: Governance and Accounting Ethics | classes \(strath.ac.uk\)](#) for tutorial times/dates. All students are required to sign up for one tutorial slot per academic year. These are available on a first come first served basis.

Attendance at tutorials is compulsory and will be monitored. If your attendance is unsatisfactory then you will receive a warning letter, which will be retained in a departmental file.

If you are absent from a tutorial or lab please email sbs-acccfin-admin@strath.ac.uk. If you are absent due to medical reasons please submit medical evidence or self-certificate via [Pegasus: Personal Circumstances Procedure | University of Strathclyde](#)

Prerequisites

None.

Contact Details

Lecturer and Tutor: Rachael Nicholls

Room number: Stenhouse Wing 3.32

Telephone: 0141 548 3179

E-mail: rachael.nicholls@strath.ac.uk

Office Hours: Wednesday 9.30-10.30am

Module Learning

Module Aims

The main aim of this module is to locate the accounting profession within its wider social, environmental and business contexts.

Accountants prepare and audit financial statements that have implications for all stakeholders. That creates an ethical dimension to the financial reporting process. Furthermore, there is a clear role for financial reporting in the maintenance of relationships between the reporting entity and the capital markets. This module will explore the resulting responsibilities arising for accountants in these roles.

Learning Objectives and Outcomes

The following learning outcomes will contribute to your self-analysis and reflection in your Student's Personal Development Planning (SPDP). These learning outcomes will be assessed using the methods explained in the "Assessment" section in this Outline.

Subject-specific knowledge and skills

On completing this module students will be able to:

- A1. Analyse ethical dilemmas faced by accountants
- A2. Evaluate the development and role of corporate governance
- A3. Discuss regulation & legislation applicable to accountants
- A4. Explain the role and responsibilities of the external auditor including societal impact
- A5. Appreciate the issues associated with auditor independence
- A6. Understand the nature of business risks and how a risk management framework can mitigate risk

Cognitive abilities and non-subject specific skills

During this module students will develop skills in:

- B1. Exercising self-awareness and self-efficacy in taking responsibility for development of own ethical being in a business context and consideration of the consequences of personal and business actions
- B2. Development of effective communication skills – interpreting, explaining, listening, discussion, questioning, presenting and defending a position, giving clear advice
- B3. Developing a questioning mindset – evaluate circumstances and risk to make informed decisions through critical thinking and application of scepticism
- B4. Developing systems and strategic thinking through awareness of a business as an entity within a complex social and environmental system whose management also needs to be cognisant of the cultural landscapes within which it operates and make appropriate decisions based on relevant sources of information.

Module Structure

Please note this is an indicative lecture programme and subject to change.

1. Introduction and ethical dilemmas

By the end of this week you should be able to:

- Understand the importance of decision making in accounting
- Discuss the processes involved with resolving ethical dilemmas
- Understand key ethical principles and the importance of moral courage

2. Moral development

By the end of this week you should be able to:

- Discuss the stages of moral development
- Understand the importance of moral framing in resolving ethical dilemmas
- Consider who you want to be as an ethical being

3. Agency and the sustainable ethical organisation

By the end of this week you should be able to:

- Explain agency theory
- Discuss the use of agency theory in understanding governance
- Discuss the importance of management acting as appropriate agents, mindful of the needs of all stakeholders of an organisation
- Discuss how management inform stakeholders of non-financial performance and the evolving reporting requirements of non-financial impacts of its business such as environmental and social impacts

4. READING WEEK

5. Corporate governance

By the end of this week you should be able to:

- Understand the importance and development of corporate governance
- Evaluate the roles of the various parties involved in corporate governance
- Communicate the key principles of UK Corporate Governance

6. Risk management

By the end of this week you should be able to:

- Understand the nature and types of risk in business processes
- Discuss how mismanagement of business risk can result in corporate failure
- Discuss how a risk management framework can mitigate risk

7. Auditing and reporting

By the end of this week you should be able to:

- Understand the need for an external audit
- Discuss the external auditor's role and impact on society
- Understand who can be an external auditor

8. Regulating accountants and audit

By the end of this week you should be able to:

- Understand the variety of legislation applicable to accountants including anti-money laundering, anti-fraud and anti-bribery legislation
- Discuss the need for the regulation of external audit
- Understand the regulatory framework for auditing
- Discuss the expectations gap in auditing

9. Ethical rules and professional conduct

By the end of this week you should be able to:

- Discuss the ethical requirements for professional accountants including those outlined in the FRC Ethical Standard
- Discuss the specific issues associated with ensuring the independence of external auditors

10. Client acceptance and audit quality control

By the end of this week you should be able to:

- Understand the audit quality control requirements and procedures
- Discuss the procedures and processes for accepting a client

11. Revision

Assessment and Feedback Details

1. Assignment worth 15%. Due: Monday 3rd November 2025, 12pm. Feedback/Marks will be released on or before Monday 24th November 2025.
2. Final Exam worth 85%. Date: during the semester 1 exam diet.

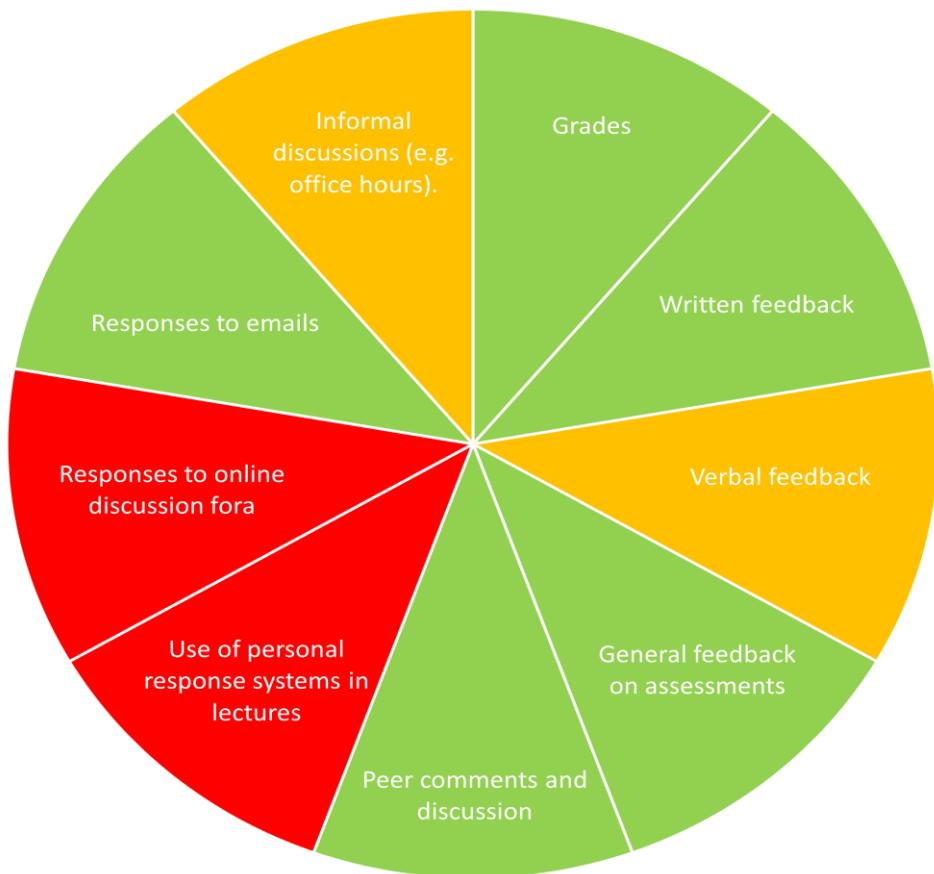
An overall weighted average mark of 40% is required to pass the module.

It is a requirement for course completion to submit all assessed coursework. Non-submission of any part will result in an overall mark of zero being awarded for the module.

The following forms of feedback will assist you in this module:

<i>Feedback category</i>	<i>Details for module</i>	<i>Colour</i>
Grades	Students will receive marks on the coursework assignment and final exam according to the relevant grading rubric/marketing scheme.	Green
Written feedback	Students may receive written feedback with areas for improvement on the assignment.	Green
Verbal feedback	Students can receive verbal feedback on the assignment and final exam by attending during office hours.	Amber
General feedback	A document will provide general feedback on the final exam performance which will be shared via MyPlace. This will include the average mark and mark distribution for the final exam.	Green
Peer comments and discussion	Students will have the opportunity to have peer discussion and receive comments within the tutorials.	Green
Use of personal response systems in lecture	Due to the subjective nature of this course use of personal response systems would not be appropriate for receiving feedback.	Red
Responses to online discussion forum	As this is an on-campus class, there is no online discussion forum.	Red
Responses to email	Students can email the course administrator for general enquiries about the class, issues with signing up for tutorials etc. Any emails received by the teaching staff may be responded to by email or covered as part of lectures/tutorials to ensure all students receive information dependent on the nature of the email.	Green
Informal discussions	There are weekly office hour sessions for any student wishing to discuss questions with teaching staff. Information on office hours is	Amber

	available under People on the class MyPlace page.	
--	---	--



Resit Policy

- Students who have failed a module will be given the opportunity to resit the module during the next resit diet.
- Results for resits will not be capped at 40%.

Reassessment

If you do not pass the course on your first attempt or cannot take the exam for medical or personal reasons, you will have to take a re-sit examination. If taking the paper at your second or further attempt, your final assessment will be based entirely on your mark in the re-sit exam. A 40% mark is required in the re-sit examination to pass the class.

Artificial Intelligence

You are not permitted to use Gen-AI tools for this module unless you are a student with an adjustment report on Pegasus where this is explicitly specified as a 'reasonable adjustment'. Any student suspected of using such tools will be subject to investigation outlined in the [Student Discipline Procedure - Academic Misconduct.pdf \(strath.ac.uk\)](https://strath.ac.uk/student-discipline-procedure-academic-misconduct.pdf) process.

Reading List

Solomon, J. (2020). Corporate Governance and Accountability (5th ed.). Wiley.

Weaver, L. (2025). A Student's Guide to Auditing Practice. Oxford University Press.

Note: Please refer to the AG309 Myplace page to access the full reading list.

UG Module Manual (1st-3rd Year)

Please refer to the accounting and finance UG manual module for the following ([Years 1-3 Module Manual.docx](#)):

- Tutorial Attendance
- Useful Contacts
- Penalties for Late Submission
- Feedback
- Compensation Scheme
- Resit Policy
- Reassessment
- Universal Marking Guide
- Useful Links